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TAGS: OPRC, KMDR, KPAO, GM

SUBJECT: MEDIA REACTION: IRAQ GERMANY U.S.-POLAND ECONOMY
VENEZUELA EAST-TIMOR LA-BELLE;BERLIN

- A. Lead Stories Summary
- B. (Iraq) Renewed Fighting
- C. (Germany) Motassadeq Trial
- D. (U.S.-Poland) Belka In Washington
- E. (Economy) Fed Raises Interest Rates
- F. (Venezuela) Referendum
- G. (East Asia) Eastern Timor
- H. (Libya-Germany) Compensation Payments For La Belle

UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: ARCHIE M BOLSTER
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Victims

A. Lead Stories Summary

HEADLINES

Unsatisfactory Answer From America On Further Evidence In
Motassadeq Trial (Frankfurter Allgemeine)

Government Plans To Defy Mass Protests (Sueddeutsche
Zeitung)

Schroeder Will Deal With Corrections Of Hartz Reform Bill
(Die Welt)

Terror Hits Tourism (Frankfurter Rundschau)

"SPD Politicians Attack Economics Minister Clement Because
Of Hartz Reform Bill (Tagesspiegel)

Clement Does Not Give In (Berliner Zeitung)

Editorials focused on the dispute over the Hartz reforms,
the controversy over the spelling reform, and the Motassadeq
trial. ZDF-TV's early evening newscast heute opened with a
story on the Motassadeq trial, and ARD-TV's early evening
newscast Tagesschau opened with a story on Libya willing to
compensate the victims of the La Belle attack.

B. (Iraq) Renewed Fighting

1. "Helpless In Chaos"

Peter Muench penned the following editorial in center-left
Sueddeutsche Zeitung of Munich (8/11):

"Six weeks ago, Iraq officially embarked on a path to
democracy, but it did not go far. Chaos and the fighting in
the country are escalating and the failing Allawi government
reacted to it with a number of dubious measures.. But this
is a placebo policy with a strong tendency to arbitrary
rule, while the government does not find a recipe for the
real problems of the country. How should it? The U.S.
occupiers have transferred to their successors an
ungovernable realm.. Even the Iraqi National Convention
that is scheduled to meet next weekend cannot bridge the
trenches that exist everywhere in the country. This is all
the more the case because many groups are staying away from
the conference. The chances for Iraq to find a consensus
are minimal in view of the ethnic, religious, and social

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fragmentation. This means the Iraqi leadership is faced with an insoluble task: In order to win the support of the people, it should create security and, at the same time, emancipate itself from the hated Americans. But in order to fight the extremists, the government is dependent on foreign forces."

C. (Germany) Motassadeq Trial

1. "Long Trial"

Center-left Sueddeutsche Zeitung of Munich (8/11) had this to say:

"The court in Hamburg can already score three points: First, soon after the ruling of the Federal Court of Justice (BGH), it set the time for the retrial.. Second, it made clear that it is interested in a fair trial and not in fulfilling the wishes of governments or the public, and third, it has a bit more material from the United States than the colleagues had in the first Motassadeq trial. The Higher Regional Court knows from the BGH ruling how to deal with the U.S. 'summaries' of the witnesses who were questioned in the United States, and how to deal with the 'black hole' of evidence. In view of this approach little speaks for a suspension of the proceedings as demanded by the defense lawyers. If the court partly follows or does not follow the arguments of the prosecutors, Prosecutor General Kay Nehm would not be the scapegoat. If U.S. agencies again block access to key witness records, thus making a fair trial more difficult, they will be responsible for the consequences."

2. "Jostling Of Democracies"

Guido Heinen opined in a front-page editorial in right-of-center Die Welt of Berlin (8/11):

"It is again a trial based on circumstantial evidence.. And this trial could use precise testimonies, as for instance from Al Qaida heads Khalid Sheikh Mohammed and Ramzi bin al-Shibh, who are very likely to be in U.S. custody. But the largest democracy in the world is rejecting their interrogation and offers -- at best -- edited minutes of interrogations. Thus two democracies are jostling with each other. On the one side Germany, in search of the law, on the other side the United States, which defines its laws in a rather individual way. In the

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end, we could be faced with a ruling that will be made far away from the truth."

3. "We'd Like To See Proof"

Center-right Frankfurter Allgemeine (8/11) argued:

"Now that the United States obviously moves a bit after several requests for legal assistance, it will be important how the court assesses new evidence. Democracy can also prove itself by discontinuing proceedings, and a condemnation can also mean its [democracy's] failure if it was based on dubious evidence. Motassadeq's defense lawyers are exaggerating, but the evil spirit of Guantanamo and Abu Ghraib is hovering over this trial, too."

4. Centrist Stuttgarter Zeitung (8/11) judged:

"America gives its security interests a higher value than a fair trial. If this does not change, the judges in Hamburg will have difficulty getting round an acquittal. Since yesterday it seems to be more unlikely than ever that America will change its mind. Instead of sending witnesses, the United States only wants to send the minutes of interrogations. This is no assistance; this is all the more so, since the world knows how people are questioned in the United States. German, but also American, politicians have an interest in sentencing Motassadeq. The presiding judge made clear yesterday that he is not interested in meeting the expectations of governments. This should be self-evident. The rules are laid down in the law, and it is up to the United States to follow them."

5. Center-right Leipziger Volkszeitung (8/11) noted:

"The Americans are acting mysteriously and do not trust the German legal system an inch. On the other hand, since Guantanamo and torture in Iraq, Germans have doubts about the correctness of U.S. investigations. The first Motassadeq trial failed because of this. With Ramzi bin al-Shibh, the United States arrested the chief planner of 9/11 but continues to reject German requests for interrogations. The United States is condescending to sending summaries of the interrogation minutes across the Atlantic. That is why gaps in the trial can hardly be avoided; but gaps lead to doubts, and in case of doubt, judges decide in favor of the defendant, even if he is guilty. This would be a bitter defeat in the fight against terror."

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6. Centrist Mannheimer Morgen (8/11) said:

"Potential witness bin al-Shibh is by no means allowed to testify. The Americans do not even want to admit to having captured him. What then do they want to offer to the Hamburg court? Brochures on international terrorism? Articles from the New York Times? George W. Bush's election campaign posters? If Washington does not finally reveal the facts, the second Motassadeq trial will end like the first one: with an acquittal, global outrage and a slap in the face of German justice authorities, which should be passed on to federal prosecutors. Obviously, they were unable to explain to their U.S colleagues that Hamburg is not Guantnamo. It is likely that the U.S. interest in the subtleties of German legal system is limited. But then the prosecutors should have dropped accusations it cannot prove instead of embarrassing itself in the country."

D. (U.S.-Poland) Belka In Washington

1. "Bush Putting Off Poles"

Center-left Sueddeutsche Zeitung of Munich (8/11) argued:

"President Bush did not have more than a few nice words for his guest, Polish Premier Belka. The U.S. president would have had enough opportunities to please the Poles, for instance, by telling the Poles who are deployed in Iraq to pack their bags and leave a year earlier.. Bush could also have announced that the humiliating procedures for Poles to apply for a visa would be abolished, but this was not the case and the Poles must continue to accept to be treated like potential criminals. The opposition in Warsaw will now accuse Belka of not having played his most important trump card: there are several million Polish-born U.S citizens, and according to sociologists, they decided the presidential elections in 2000. Traditionally they favor Democratic candidates but in 2000, they voted for Republican Bush. The reason: Bush father declared again and again in the election campaign that 'we owe the collapse of the East Bloc to the Poles.' But the son does not give a damn about the Polish cause. Maybe, he will regret this on election day in November."

E. (Economy) Fed Raises Interest Rates

1. "Stay The Course"

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Business daily Handelsblatt of Duesseldorf (8/11) stated:

"The U.S. economy is not suffering from a lack of liquidity, but it continues to suffer from structural distortions stemming from the booming times during the 90s

and from an oil scare. The weakness of economic growth and employment is mainly based on the fact that many highly indebted U.S. households are slowing down consumption in view of high energy prices. And if consumers slow down, companies must also slow down. The result are fewer new jobs. But many economists are expect the Fed to have an interest rate break at its meeting in September despite the clear message it sent out his time. Such a break may be politically opportune in view of the presidential elections in November, but it would not be economically wise. Those who want to heal the Americans' craze for cheap money cannot have a break in the midst of a withdrawal treatment."

F. (Venezuela) Referendum

1. "Third Attempt"

Hinnerk Berlekamp noted in left-of-center Berliner Zeitung (8/11):

"The only thing that unites the estranged opposition is its fight against the President and the 'Bolivarian Revolution'. The concept behind this political project is still unclear five years after Chavez came to power. The conservative opposition claims he wants to introduce a 'new Cuba', a Communist dictatorship. He publicly celebrates his friendship with Castro and supplies Cuba with cheap oil, but Venezuela's parliamentary system has remained vital and there is hardly any country on that continent where an opposition uses its parliamentary rights as much as in Venezuela. In the economic sector, Chavez stopped privatization projects, but he did not touch private companies. Cuban-style revolutions look different. Chavez has achieved remarkable progress in social policy. For the first time, thousands of people gained access to the health system, when the government sent doctors - among them several thousand Cubans - to rural areas and into slums. The army built streets, bridges and schools. Around one million Venezuelans learnt to read and write - Cuban experience played a role in this program. Venezuela's middle and upper classes, which shared between them the country's oil-based wealth for decades, feel alienated and are worried about their privileges. Defeated in several elections, the opposition used two different means in the

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past: the U.S.-supported coup in April 2002 failed to topple Chavez as well as the employer's strike in 2002/2203. This recall is the third attempt to stop the reform process, but the result could be that Chavez is more firmly in the saddle than before."

G. (East Asia) Eastern Timor

1. "Forgotten Terror In East Timor"

Seven Hansen commented in leftist die tageszeitung of Berlin (8/11):

"Washington and Berlin's criticism of the acquittal of 16 officers charged with crimes committed in East Timor was half-hearted. A foreign policy with human rights as a front burner looks different. The U.S. government suggested in recent months that it would like to cooperate with Indonesia's army rather today than tomorrow in order to fight Islamic terrorism. In this respect, the past, in which Jakarta's military was a source of terrorism in East Timor, is an obstacle. Jakarta hopes that the West, which is busy with the fight against terror, will quickly forget and turn a blind eye on violations of human rights. But not to

punish the atrocities will not just undermine the credibility of the West, it will also water down international standards of human rights."

H. (Libya-Germany) Compensation Payments For La Belle Victims

1. "Membership Contribution"

Clemens Wergin commented in centrist Der Tagesspiegel of Berlin (8/11):

"It has taken 18 years until Libya was ready to compensate the victims of the attack on the La Belle disco in Berlin. Three people, who died in the terror attack, will not come alive again, and it will not reduce the pain of those who are disfigured for the rest of their lives. But it shows that Libya's dictator Qadhafi is doing everything to return to the world community. This will cost him another 35 million dollars, after having paid 2.7 billion to the families of the Lockerbie-victims, and one million for each victim of the bombing of the French

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airplane over Niger. The agreement is similar to the French compensation, but it is only a tenth of what the Lockerbie victims got. This also reflects the balance of power in the world; the U.S. government can exert more pressure than the German or French government."

2. "On Probation"

Business daily Financial Times Deutschland of Hamburg (8/11) editorialized:

"Qadhafi's 35 million dollars are a good investment. Libya's head of state has agreed on paying compensation to the victims of the La Belle bombing, in which his government was involved. 18 years after the attack, he removed the last obstacles on Libya's way back to normal international relations. Europeans - and Germans in particular - should not get excited about this. Of course, Libya is an interesting economic partner, because of the thriving oil business. German companies could earn a lot of money with modernizing Qadhafi's country, but it would be naive to believe that an aging despot has seen the light. A stubborn dictator was tamed, because he is hoping to benefit from closer cooperation with the world. Qadhafi's Libya is still a tough dictatorship. Those making business with Qadhafi must know that he remained unpredictable. He has given up attacking the West militarily, but he is still playing his power games in North Africa."

3. "Closure Of La Belle Case"

Joerg Reichelt argued in left-of-center Berliner Zeitung (8/11):

"We can close the files 18 years after the bomb attack on the Berlin La Belle disco. Victim lawyers did not get all they wanted, but they victims will be compensated. That alone is a reason to be satisfied. Although Qadhafi is still rejecting his personal involvement in the attack, the Berlin agreement is a sign for Libya's remarkable change of policy: first he announced to turn his back on terrorism, then he compensated victims, and finally he renounced weapons of mass destruction. The way is clear for new relations with a country that was a haven for terrorists."

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